

# **A MANDATED BILL AND KEEP COMPENSATION ARRANGEMENT FOR WIRELESS TRAFFIC USING RURAL LEC NETWORKS IS NOT APPROPRIATE**

## **The Wireless Traffic Volumes Are Significant**

- Significant volumes of wireless traffic are terminating on rural LEC facilities
- Analysis reflects that the terminating wireless MOUs being delivered are equal to approximately 15% of the rural LECs terminating access MOUs for a given month.

<b>Term Wireless MOU vs Term Access MOU Analysis</b>					
<b>Company Name</b>	<b>Total LDS Monthly Term MOU</b>	<b>Total LDI Monthly Term MOU</b>	<b>Total LDS+LDI Monthly MOU</b>	<b>Wireless Term Monthly MOU</b>	<b>% Wireless to Total LDI+LDS</b>
<b>Total Rural LEC</b>	<b>3,416,720</b>	<b>3,709,572</b>	<b>7,126,292</b>	<b>1,092,067</b>	<b>15.32%</b>

## **The Wireless Traffic Is Growing**

- Wireless MOUs terminating on the rural LEC networks are growing in volume over time
- From EOY 2001 thru EOY 2002 the wireless MOU terminating on the rural LECs networks increased in volume by approximately 41%.

<b>Monthly Wireless MOUs Compared Year End</b>	
<b>December 31, 2001</b>	<b>December 31, 2002</b>
<b>773,227</b>	<b>1,092,067</b>

## **The Traffic Is Not Balanced**

- There are significantly greater volumes of wireless MOUs terminating on the rural LEC landline network than there are landline MOUs terminating on the wireless network
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		<b>Balance of Traffic</b>	
<b>Monthly Wireless MOU Destined for Rural LEC</b>	<b>Monthly Landline MOU Destined for Wireless</b>	<b>Percent Wireless</b>	<b>Percent Rural LEC</b>
<b>1,092,067</b>	<b>335,486</b>	<b>76%</b>	<b>24%</b>

Wireless Carriers are terminating a significant and growing volume of minutes on the Rural LEC networks. The traffic being exchanged between wireless and landline end users (in rural LEC service areas) is not balanced and therefore bill-and-keep is not appropriate for compensation purposes.

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